



SOUTHWEST GAS CORPORATION

Utility **Supplier Diversity** Program

2011 Annual Report and 2012 Annual Plan
2011 Fuel Procurement Annual Report
and 2012 Annual Plan



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking into Implementation
of Public Utilities Code Sections 821-8286
Relating to Women Minority Disabled Veteran
Business Enterprises

R.87-02-026
R.91-02-011
R.93-09-026

Rulemaking for the Purpose of Amending
General Order 156

R.03-02-035
R.05-08-029
P.05-10-031
R.09-07-027

**Southwest Gas Corporation (U 905 G)
Utility Supplier Diversity Program
2011 Annual Report and 2012 Annual Plan
2011 Annual Fuel Procurement Report and 2012 Annual Plan**

Catherine Mazzeo
Senior Counsel/Legal Affairs
Southwest Gas Corporation
5241 Spring Mountain Road
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Catherine.Mazzeo@swgas.com

Southwest Gas Corporation respectfully requests that the Executive Director of the California Public Utilities Commission accept the following:

- **Utility Supplier Diversity Program 2011 Annual Report**
- **Utility Supplier Diversity Program 2012 Annual Plan**
- **Utility Supplier Diversity Program 2011 Annual Fuel Procurement Report**
- **Utility Supplier Diversity Program 2012 Annual Fuel Procurement Plan**



Catherine Mazzeo
Senior Counsel/Legal Affairs
Southwest Gas Corporation
5241 Spring Mountain Road
P.O. Box 98510
Las Vegas, Nevada 89193-8510
(702) 876-7250
(702) 252-7283 – Fax
Catherine.Mazzeo@swgas.com

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INTRODUCTION AND EXECUTIVE SUMMARY

INTRODUCTION AND EXECUTIVE SUMMARY

Southwest Gas Corporation (Southwest or the Company) hereby submits its **2011 Utility Supplier Diversity Program (Program) Annual Report and 2012 Annual Plan** in compliance with Sections 9 and 10 of *General Order 156* (GO 156) of the California Public Utilities Commission (Commission) and subsequent Decisions (D.) amending GO 156.¹

Southwest's *2011 Program Annual Report* provides a detailed description of Southwest's Program activities during 2011 and the achievements made by Southwest in providing purchasing, contracting, and subcontracting procurement opportunities to women, minority, and service disabled veteran business enterprises (WMDVBE, diverse suppliers). The *2012 Annual Plan* describes Southwest's strategies for increasing activities with diverse suppliers. Also included in this Report are Southwest's **2011 Annual Fuel Procurement Report and 2012 Annual Fuel Procurement Plan (Fuel Report)**.

Southwest, a multi-jurisdictional utility headquartered in Las Vegas, Nevada, provides natural gas service to approximately 1.8 million customers in California, Arizona and Nevada. Southwest serves approximately 182,000 customers in its California service territories located in Placer, El Dorado, Nevada, and San Bernardino Counties.

Southwest's California service area represents approximately 10 percent of its overall operations.

In 2011, Southwest exceeded the minimum established Clearinghouse-Verified procurement goal of 21.5 percent, pursuant to GO 156. Southwest's total procurement with California Supplier Clearinghouse-Verified (Clearinghouse-Verified) diverse suppliers that supported its California operations during 2011 was \$12,002,324, or 38.91 percent. Southwest also spent \$ 2,820,142 in fuel purchases from a Clearinghouse-Verified diverse supplier to support its California operations (see Fuel Report).

In addition, Southwest spent \$64,792,285 with Clearinghouse-Verified diverse suppliers to support the Company's Arizona and Nevada operations. Southwest also spent \$4,416,611 in fuel purchases from a Clearinghouse-Verified diverse supplier to support its Arizona and Nevada operations (see chart on page 2).

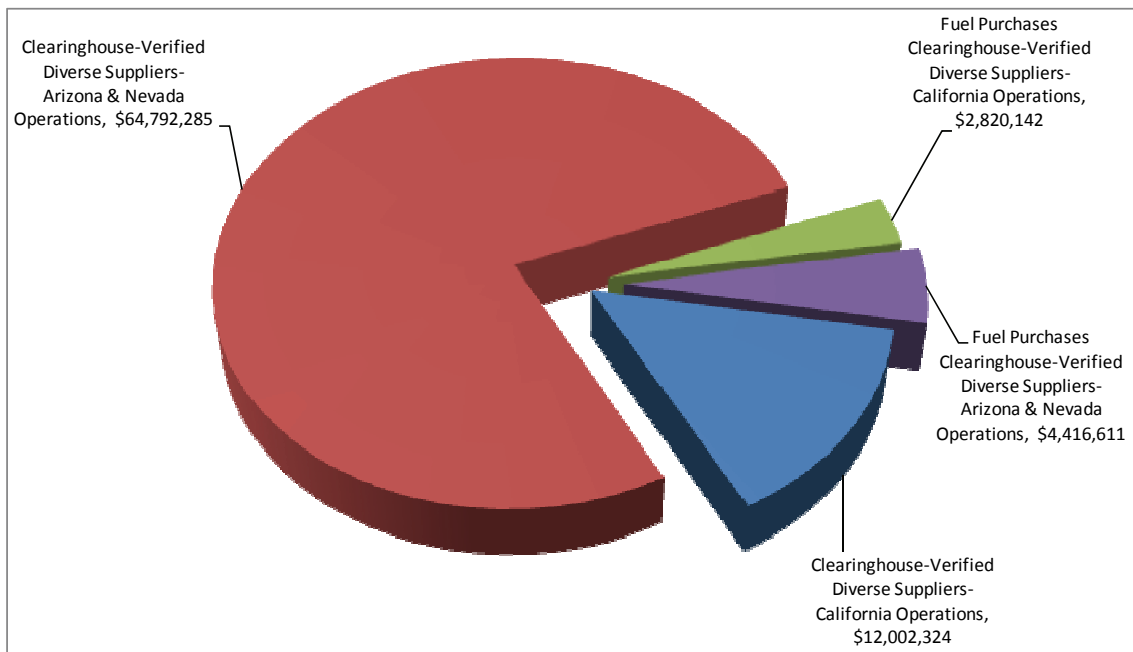
¹ Decision No. 88-04-057, as modified by Decision Nos. 88-09-024, 89-08-041, 90-11-053, 90-12-027, 92-06-030, 92-12-048, 95-12-045, 96-12-081, 98-11-030, 03-11-024, 05-12-023, 06-11-028, and 11-05-019.

INTRODUCTION AND EXECUTIVE SUMMARY

(Continued)

As illustrated in the chart below, Southwest's spending with Clearinghouse-Verified diverse suppliers totaled \$ 84,031,362.

2011
California Clearinghouse-Verified Diverse Suppliers
Total Procurement Dollars = \$ 84,031,362



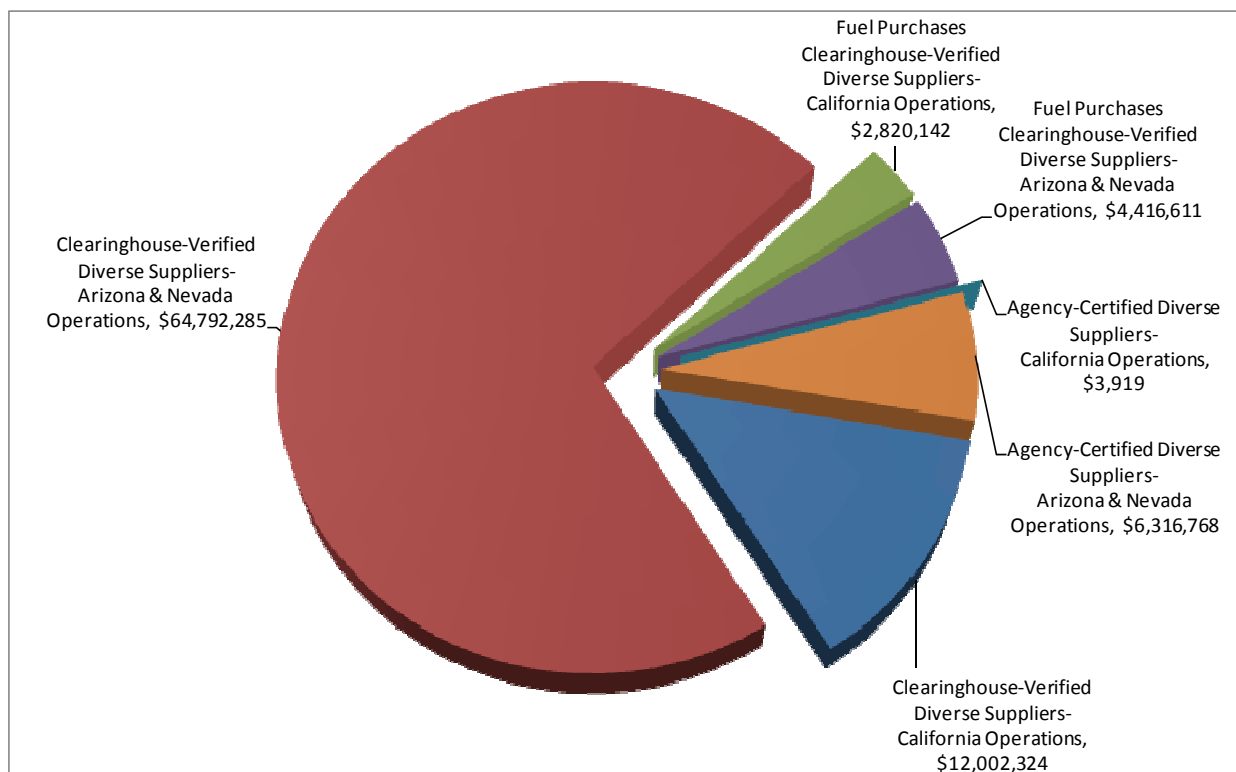
INTRODUCTION AND EXECUTIVE SUMMARY

(Continued)

Southwest Gas also utilizes diverse suppliers, certified by other agencies (agency-certified) ². In addition to the amounts spent with Clearinghouse-Verified suppliers, the Company spent \$3,919 with agency-certified diverse suppliers in support of its California operations and \$6,316,768 in support of its Arizona and Nevada operations. Southwest's total procurement with Clearinghouse-Verified and agency-certified diverse suppliers during 2011 amounted to \$90,352,049 as illustrated in the chart below.

Southwest will continue to work with its agency-certified diverse suppliers to encourage them to become Clearinghouse-Verified so that Southwest may include these dollars towards the Company's GO 156 procurement goals in future Program years.

2011 Clearinghouse-Verified and Agency-Certified Diverse Suppliers Total Procurement Dollars = \$ 90,352,049



² Agency-certified is a list of hundreds of reputable, diverse supplier certification organizations, and local, state, and federal government departments. For example, two major agencies that Southwest recognizes are the National Minority Supplier Development Council and the Women Business Enterprise Council.

INTRODUCTION AND EXECUTIVE SUMMARY
(Continued)

SOUTHWEST GAS CORPORATION 2011 UTILITY SUPPLIER DIVERSITY PROCUREMENT IN CALIFORNIA, ARIZONA AND NEVADA				
Line No.		California	Arizona and Nevada ^[1]	TOTALS
1	Minority Men	\$ 856,291	\$ 17,710,190	\$ 18,566,481
2	Minority Women	\$ 500,247	\$ 6,287,624	\$ 6,787,871
3	Total Minority Business Enterprise (MBE)	\$ 1,356,538	\$ 23,997,814	\$ 25,354,352
4	Women Business Enterprise (WBE)	\$ 10,644,982	\$ 40,772,572	\$ 51,417,554
5	Subtotal Women, Minority Business Enterprise (WMBE)	\$ 12,001,520	\$ 64,770,386	\$ 76,771,906
6	Service Disabled Veteran Business Enterprise (DVBE)	\$ 804	21,899	\$ 22,703
7	Clearinghouse-Verified WMDVBE (excluding fuel purchase)	\$ 12,002,324	\$ 64,792,285	\$ 76,794,609
8	Clearinghouse-Verified WMDVBE - Fuel Purchase	\$ 2,820,142	4,416,611	\$ 7,236,753
9	Total Clearinghouse-Verified WMDVBE (including fuel purchase)	\$ 14,822,466	\$ 69,208,896	\$ 84,031,362
10	Agency-Certified WMDVBE	\$ 3,919	\$ 6,316,768	\$ 6,320,687
11	Total WMDVBE	\$ 14,826,385	\$ 75,525,664	\$ 90,352,049
12	Total California Procurement	\$ 30,847,628		
13	% Clearinghouse-Verified Procurement (excluding fuel purchase)	38.91%		
14	% Agency-Certified Procurement	0.01%		
15	% Total WMDVBE Procurement ^[2]	38.92%		
<p>[1] California diverse suppliers that support Southwest's operations in Arizona and Nevada.</p> <p>[2] California diverse suppliers' procurement percentage that support Southwest's operations in California, Arizona, and Nevada.</p>				

**CALIFORNIA
2011 ANNUAL REPORT**

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.1
A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.		

SUPPLIER DIVERSITY PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

Internal Activities

Southwest remained committed to increasing the visibility and the importance of its Program with all internal business units. The Supplier Diversity Staff encouraged internal business units to support the Program by ensuring that diverse suppliers were included in bid opportunities company-wide. In addition, internal outreach efforts in 2011 included:

- Encouraged and emphasized the importance of utilizing the on-line sourcing request form, which enables the Supplier Diversity Staff to assist with identifying Clearinghouse-Verified diverse suppliers for bid opportunities.
- Conducted an annual Supplier Diversity Advisory Council (Council) meeting. The Council consists of management level personnel from different business units that meet to discuss Program enhancements, as well as how to increase business with diverse suppliers, especially in the low-utilization areas.
- Encouraged the utilization of the Supplier Clearinghouse's database when sourcing for diverse suppliers for bid opportunities.
- Encouraged Southwest's decision-buying agents to focus purchasing and contracting activities on utilizing diverse suppliers in historically low and under-utilized areas.

New Diverse Suppliers

During 2011, Southwest entered into contractual agreements with four new Clearinghouse-Verified diverse suppliers. While Southwest continues to maintain good relationships with its existing diverse suppliers, as new diverse suppliers are identified that meet Southwest's procurement needs and requirements and opportunities become available, they will be provided bid opportunities.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.1
A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.		

External Outreach Activities

Southwest promoted its Program's objectives by teaming with experienced organizations and participating in industry outreach activities to identify Clearinghouse-Verified diverse suppliers that are capable of supporting the Company's procurement requirements.

Below is a description of activities that Southwest participated in during 2011:

February 2011 - National Association of Minority Contractors (NAMC) – ***Mid-Winter Conference*** – Exhibitor - Corporate Sponsor

February 2011 - Southern California Minority Business Development Council – ***Minority Business Opportunity Day*** – Exhibitor

March 2011 - High-Desert Hispanic Chamber of Commerce – ***Small Business Association Day*** – Corporate Sponsor

May 2011 - California Disabled Veteran Alliance – ***Keeping the Promise*** – Exhibitor – Corporate Sponsor

July 2011 - American Indian of California Chamber of Commerce – ***2011 Expo*** – Exhibitor – Corporate Sponsor

August 2011 Diversity Information Resource – “Best Practice in Supplier Diversity Program Strategies & Initiatives” seminar.

September 2011 - High-Desert Hispanic Chamber of Commerce – ***20th Annual Awards Dinner Attendee*** – Corporate Sponsor

October 2011 - Victor Valley African American Chamber of Commerce – ***Business Luncheon*** – Attendee

Program Advertisement Placements

During 2011, Southwest promoted its Program through the following media placements:

- American GI Forum – Annual Mariachi Festival Directory
- American Indian Chamber of Commerce of California – Expo Program Directory
- High Desert Hispanic Chamber of Commerce's – Cinco de Mayo Festival Program Directory
- National Association of Minority Contractors – National Mid-Winter Conference Program Directory

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.1
A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.		

- National Minority Supplier Development Council (NMSDC) – 2011 Conference and Business Opportunity Fair Program Directory
- Southern California Minority Business Development Council (SCMBDC) – Business Opportunity Day Program Directory, Supplier of the Year Program Booklet and Leadership Awards Gala program Booklet.

Regulatory Participation

- California Public Utilities Commission (CPUC) — Ninth Annual En Banc Hearing — *“From Sprout to Stalk: How to Grow Diverse Businesses”*
- Joint Utilities’ Quarterly meetings
- The California Utilities 2012 Supplier Diversity Planning Summit.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.2(a)

A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS BY ETHNICITY – PRIME CONTRACTING & SUBCONTRACTING –						
Line No.			2011			
			Prime \$	Sub \$	Total \$	%
1	Minority Men	Asian-Pacific	\$ 471,841	\$ -	\$ 471,841	3.93%
2		Black	60,368	-	60,368	0.50%
3		Hispanic	324,081	-	324,081	2.70%
4		Native-American	-	-	-	0.00%
5		Other	-	-	-	0.00%
6	Total Minority Men		\$ 856,291	\$ -	\$ 856,291	7.13%
7	Minority Women	Asian-Pacific	\$ 65,044	\$ -	\$ 65,044	0.54%
8		Black	\$ 114,356	-	114,356	0.95%
9		Hispanic	\$ 320,148	-	320,148	2.67%
10		Native-American	\$ 699	-	699	0.01%
11		Other	\$ -	-	-	0.00%
12	Total Minority Women		\$ 500,247	\$ -	\$ 500,247	4.17%
13	Total Minority Business Enterprise (MBE)		\$ 1,356,538	\$ -	\$ 1,356,538	11.30%
14	Women Business Enterprise (WBE)		\$ 10,644,982	\$ -	\$ 10,644,982	88.69%
15	Subtotal Women, Minority Business Enterprise (WMBE)		\$ 12,001,520	\$ -	\$ 12,001,520	99.99%
16	Service Disabled Veteran Business Enterprise (DVBE)		\$ 804	\$ -	\$ 804	0.01%
17	TOTAL WMDVBE		\$ 12,002,324	\$ -	\$ 12,002,324	100.00%
18	Gross Procurement	\$ 30,847,628				
19	Exclusions ^[1]	-				
20	Net Procurement	\$ 30,847,628				
^[1] Included in calculation of total procurement per Commission directive in D.03-11-024.						

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.2(b)

A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS BY PRODUCT AND SERVICE CATEGORIES - PRIME CONTRACTING -									
Line No.				2011					
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Direct	\$ 471,841	10.79%	\$ -	0.00%	\$ 471,841	1.53%
2		Black	Direct	60,368	1.38%	-	0.00%	60,368	0.20%
3		Hispanic	Direct		0.00%	324,081	1.22%	324,081	1.05%
4		Native-American	Direct	-	0.00%	-	0.00%	-	0.00%
5		Other	Direct	-	0.00%	-	0.00%	-	0.00%
6	Total Minority Men		Direct	\$ 532,209	12.17%	\$ 324,081	1.22%	\$ 856,291	2.78%
7	Minority Women	Asian-Pacific	Direct	\$ 65,044	1.49%	\$ -	0.00%	\$ 65,044	0.21%
8		Black	Direct		0.00%	114,356	0.43%	114,356	0.37%
9		Hispanic	Direct	320,148	7.32%	-	0.00%	320,148	1.04%
10		Native-American	Direct	699	0.02%	-	0.00%	699	0.00%
11		Other	Direct	-	0.00%	-	0.00%	-	0.00%
12	[1]		Direct	\$ 385,891	8.83%	\$ 114,356	0.43%	\$ 500,247	1.62%
13	Total Minority Business Enterprise (MBE)		Direct	\$ 918,100	21.00%	\$ 438,437	1.66%	\$ 1,356,538	4.40%
14	Women Business Enterprise (WBE)		Direct	\$ 74,853	1.71%	\$ 10,570,129	39.92%	\$ 10,644,982	34.51%
15	Total Women, Minority Business Enterprise (WMBE)		Direct	\$ 992,953	22.71%	\$ 11,008,566	41.58%	\$ 12,001,520	38.91%
16	Service Disabled Veteran Business Enterprise (DVBE)		Direct	\$ 264	0.01%	\$ 540	0.00%	\$ 804	0.00%
17	TOTAL WMDVBE		Direct	\$ 993,217	22.72%	\$ 11,009,106	41.58%	\$ 12,002,324	38.91%
18	Gross Procurement			\$ 30,847,628					
19	Exclusions ^[1]			-					
20	Net Procurement			\$ 30,847,628					
21	Total Product Procurement			\$ 4,371,532					
22	Total Service Procurement			26,476,096					
23	Net Procurement			\$ 30,847,628					
24	Percentage for "Products" expenditures are WMDVBE compared to "Total Product Procurement" expenditures =22.72%.								
25	Percentage for "Services" expenditures are WMDVBE compared to "Total Service Procurement" expenditures = 41.58%.								
26	Percentage for "Total" expenditures are WMDVBE compared to "Net Procurement" expenditures = 38.91%.								
[1] Included in calculation of total procurement per Commission directive in D.03-11-024.									

TABLE 9.1.2(b)

Name of Utility
Southwest Gas Corporation

Reporting Year
2011 Annual Report

GO 156
Section 9.1.2(c)

A summary of women, minority, or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity, product and service categories, compared with total utility contracts dollars awarded to vendors in those categories.

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS BY PRODUCT AND SERVICE CATEGORIES – SUBCONTRACTING –									
				2011					
Line No.				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
2		Black	Sub	-	0.00%	-	0.00%	-	0.00%
3		Hispanic	Sub	-	0.00%	-	0.00%	-	0.00%
4		Native-American	Sub	-	0.00%	-	0.00%	-	0.00%
5		Other	Sub	-	0.00%	-	0.00%	-	0.00%
6		Total Minority Men	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
7	Minority Women	Asian-Pacific	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
8		Black	Sub	-	0.00%	-	0.00%	-	0.00%
9		Hispanic	Sub	-	0.00%	-	0.00%	-	0.00%
10		Native-American	Sub	-	0.00%	-	0.00%	-	0.00%
11		Other	Sub	-	0.00%	-	0.00%	-	0.00%
12		Total Minority Women	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
13	Total Minority Business Enterprise (MBE)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
14	Women Business Enterprise (WBE)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
15	Total Women, Minority Business Enterprise (WMBE)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
16	Service Disabled Veteran Business Enterprise (DVBE)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
17	TOTAL WMDVBE		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
				Products		Services			
18	Gross Procurement			\$ 30,847,628		\$ -		\$ -	
19	Exclusions [1]			-		-		-	
20	Net Procurement			\$ 30,847,628		\$ -		\$ -	
[1] Included in calculation of total procurement per Commission directive in D.03-11-024.									

TABLE 9.1.2(c)

Name of Utility Southwest Gas Corporation	Reporting Year 2011 Annual Report	GO 156 Section 9.1.2(d)
A description of Supplier Diversity Program activities of Prime Contractors, by SIC Code, engaged in during the previous calendar year. This description shall include both internal and external activities.		

Standard Industrial Classification Code Reporting

Pursuant to D.05-12-023, Southwest has included diverse supplier procurement results by Standard Industrial Classification (SIC) Code.

The following is a list of SIC codes and detailed descriptions of the products and/or services that Southwest obtained from Clearinghouse-Verified diverse suppliers throughout 2011. These SIC codes are also utilized in the table on the following page, which provides a breakdown of the dollars spent in each category.

SIC CODE	CODE DESCRIPTION	PRODUCT OR SERVICE PROVIDED TO SOUTHWEST
13	Pipe Testing	Non-destructive pipe testing
16	Underground Utility Contractor	Underground utility contractor
25	Furniture and Fixtures	Trade show displays
30	Rubber and Miscellaneous Plastic Products	Meter parts
33	Primary Metal Industries Pipe and Fittings	Natural gas products, including gas meter connectors
34	Fabricated Metal Products	Natural gas supplies, including gaskets, washers, meter swivels, and nuts
38	Mass Flow Meters	Natural gas pressure flow meters
50	Wholesale Trade – Durable Goods Fasteners, Tools, Electrical Supplies	Industrial supplies, including meter paint and coating. Electrical apparatus and equipment wiring suppliers and construction materials
55	Automotive Dealer	Sales of fleet vehicles
73	Temporary Personnel Services	Temporary personnel
87	Engineering, Accounting, and Research Management	Pipeline engineering services
89	Miscellaneous Services – Lease, Sell and Maintain Interior Plants – Commercial	Maintenance of interior plants

Name of Utility
Southwest Gas Corporation

Reporting Year
2011 Annual Report

GO 156
Section 9.1.2(d)

A description of Supplier Diversity Program activities of Prime Contractors, by SIC Code, engaged in during the previous calendar year. This description shall include both internal and external activities.

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS BY PRODUCT AND SERVICE CATEGORIES - PRIME CONTRACTOR BY SIC CODES - * Percentages are WMDVBE expenditures compared to total expenditures for each SIC category.																			
Line No.	SIC Code	SIC Category	Asian-Pacific		Black		Hispanic		Native-American		Other		Total Minority		Minority Business Enterprise (MBEs)	Women Business Enterprise (WBEs)	Minority Business Enterprise (WMBEs)	Veterans Business Enterprise (DVBEs)	Total WMDVBE
			Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women					
1	13	Pipe Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,998	\$ -	\$ -	\$ 60,998
2			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.20%	% 0.00%	0.00%	0.20%
3	16	Underground Utility Contractor	\$ -	\$ -	\$ -	\$ -	\$ 324,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 324,081	\$ -	\$ -	\$ 10,336,342	\$ 10,660,423	\$ -	\$ 10,660,423
4			% 0.00%	0.00%	% 0.00%	0.00%	% 1.05%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 1.05%	0.00%	% 0.00%	33.51%	% 0.00%	0.00%	34.56%
5	25	Furniture and Pictures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 699	\$ -	\$ -	\$ 699	\$ -	\$ 699
6			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	0.00%
7	30	Gaskets and Sealing Devices	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,437	\$ 2,437	\$ -	\$ 2,437
8			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.01%	% 0.00%	0.00%	0.01%
9	33	Primary Metal Industries Pipe and Fittings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,940	\$ 23,940	\$ -	\$ 23,940
10			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.08%	% 0.08%	0.00%	0.08%
11	34	Fabricated Metal Products	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,260	\$ 3,260	\$ -	\$ 3,260
12			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.01%	% 0.01%	0.00%	0.01%
13	38	Mass Flow Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 541	\$ -	\$ -	\$ 541
14			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	0.00%
15	50	Wholesale Trade - Durable Goods, Fasteners, Tools, Electrical Supplies	\$ 471,299	\$ 65,044	\$ -	\$ -	\$ -	\$ 320,148	\$ -	\$ -	\$ -	\$ -	\$ 471,299	\$ 385,192	\$ 856,491	\$ 45,216	\$ 901,707	\$ 804	\$ 902,511
16			% 1.53%	0.21%	% 0.00%	0.00%	% 0.00%	1.04%	% 0.00%	0.00%	% 0.00%	0.00%	% 1.53%	1.25%	% 2.78%	0.15%	% 2.92%	0.00%	2.93%
17	55	Automotive Dealer	\$ -	\$ -	\$ 60,368	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,368	\$ -	\$ 60,368	\$ -	\$ 60,368	\$ -	\$ 60,368
18			% 0.00%	0.00%	% 0.20%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.20%	0.00%	% 0.20%	0.00%	% 0.20%	0.00%	0.20%
19	73	Temporary Personnel Services	\$ -	\$ -	\$ -	\$ 114,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,356	\$ 114,356	\$ -	\$ 114,356	\$ -	\$ 114,356
20			% 0.00%	0.00%	% 0.00%	0.37%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.37%	% 0.37%	0.00%	% 0.37%	0.00%	0.37%
21	87	Engineering, Accounting and Research Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,172	\$ 167,172	\$ -	\$ 167,172
22			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.54%	% 0.54%	0.00%	0.54%
23	89	Miscellaneous Services - Lease, Sell and Maintain Interior Plants - Commercial.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,619	\$ 5,619	\$ -	\$ 5,619
24			% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.00%	0.00%	% 0.02%	0.00%	% 0.00%	0.00%	% 0.00%	0.02%	% 0.02%	0.00%	0.02%
25	Total		\$ 471,840	\$ 65,044	\$ 60,368	\$ 114,356	\$ 324,081	\$ 320,148	\$ -	\$ 699	\$ -	\$ 10,644,984	\$ 856,291	\$ 500,247	\$ 1,356,538	\$ 10,644,984	\$ 12,001,522	\$ 804	\$ 12,002,324
26			% 1.53%	0.21%	% 0.20%	0.37%	% 1.05%	1.04%	% 0.00%	0.00%	% 0.00%	34.51%	% 2.78%	1.62%	% 4.40%	% 34.51%	% 38.91%	% 0.00%	% 38.91%
27	Gross Product Procurement		\$ 30,847,628																
28	Exclusions [1]		\$ -																
29	Net Product Procurement		\$ 30,847,628																
[1] Included in calculation of total procurement per Commission directive in D.03-11-024. * Percentages are WMDVBE expenditures compared to total expenditures for each SIC category.																			

TABLE 9.1.2(d)

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.2(e)

A summary of women, minority or disabled-veteran purchases and/or contracts, with breakdowns by ethnicity and gross revenue categories compared with total utility contract dollars awarded to vendors in those categories.

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS BY SUPPLIERS' GROSS REVENUE SIZE									
Line No.	# WMDVBES \$M	Suppliers Reported to California Clearinghouse				2010 Southwest Actual Suppliers Used			
		DVBE	MBE	WBE	Grand Total	DVBE	MBE	WBE	Grand Total
1	< \$1 million	2	3	4	9	2	3	4	9
2	\$1 million < \$5 million	0	3	3	6	0	3	3	6
3	\$5 million < \$10 million	0	1	2	3	0	1	2	3
4	> \$10 million	0	2	2	4	0	2	2	4
5	Total	2	9	11	22	2	9	11	22
Line No.	WMDVBES \$M	Suppliers' Gross Revenue Reported to California Clearinghouse				2010 Southwest's Actual Dollars Spent			
		DVBE ^[1]	MBE	WBE	Grand Total	DVBE	MBE	WBE	Grand Total
1	< \$1 million	\$ -	\$ 1,808,674	\$ 629,736	\$ 2,438,410	\$ 804	\$ 471,998	\$ 68,810	\$ 541,612
2	\$1 million < \$5 million	-	8,585,477	10,566,843	19,152,320	-	438,979	35,065	474,044
3	\$5 million < \$10 million	-	8,820,000	15,503,072	24,323,072	-	320,148	168,927	489,075
4	> \$10 million	-	48,000,000	134,758,608	182,758,608	-	125,412	10,372,181	10,497,593
5	Total	\$ -	\$ 67,214,151	\$ 161,458,259	\$ 228,672,410	\$ 804	\$ 1,356,537	\$ 10,644,983	\$ 12,002,324
[1] Disabled Veterans Business Enterprise Gross Revenue not available through California Clearinghouse.									

TABLE 9.1.2(e)

Pursuant to D.06-11-08, Southwest has included diverse supplier procurement results by gross revenue size.

Name of Utility Southwest Gas Corporation	Reporting Year 2011 Annual Report	GO 156 Section 9.1.3
An itemization of WMDVBE Program expenses.		

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 SUPPLIER DIVERSITY PROGRAM EXPENSES		
Line No.	Expense Category	2011
1	Wages	\$ 14,416
2	Other Employee Expenses	4,065
3	Program Expenses	5,607
4	Reporting Expenses	29
5	Training	-
6	Consultants	-
7	Other <i>(Includes participation and/or sponsorship or outreach activities, i.e., trade fairs, award events, etc.)</i>	15,000
8	Total	\$ 39,117

TABLE 9.1.3

Name of Utility Southwest Gas Corporation	Reporting Year 2011 Annual Report	GO 156 Section 9.1.4
A description of progress in meeting or exceeding set goals.		

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 ANNUAL RESULTS AND GOALS			
Line No.	Category	Results	Goals
1	Minority Men	2.78%	3.00%
2	Minority Women	1.62%	1.00%
3	Minority Business Enterprise (MBE)	4.40%	4.00%
4	Women Business Enterprise (WBE)	34.51%	16.00%
5	Subtotal Women, Minority Business Enterprise (WMBE)	38.91%	20.00%
6	Service Disabled Veteran Business Enterprise (DVBE)	0.00%	1.50%
7	Total WMDVBE	38.91%	21.50%

TABLE 9.1.4

Southwest exceeded the overall goal of 21.50 percent as established by GO 156. Southwest achieved a result of 38.91 percent.

Name of Utility Southwest Gas Corporation	Reporting Year 2011 Annual Report	GO 156 Section 9.1.5
A summary of prime contractor utilization of women, minority or disabled-veteran subcontractors.		

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROCUREMENT 2011 CALIFORNIA PROCUREMENT RESULTS – PRIME AND SUBCONTRACTING UTILIZATION OF DIVERSE SUPPLIERS –								
Line No.		Minority Men	Minority Women	Minority Business Enterprise (MBEs)	Women Business Enterprise (WBEs)	Women Minority Business Enterprise (WMBEs)	Service Disabled Veterans Business Enterprise (DVBES)	TOTAL
1	Prime \$	\$ 856,291	\$ 500,247	\$ 1,356,538	\$ 10,644,982	\$ 12,001,520	\$ 804	\$ 12,002,324
2	Subcontracting \$	-	-	-	-	-	-	-
3	Total \$	\$ 856,291	\$ 500,247	\$ 1,356,538	\$ 10,644,982	\$ 12,001,520	\$ 804	\$ 12,002,324
4	Prime %	2.78%	1.62%	4.40%	34.51%	38.91%	0.00%	38.91%
5	Subcontracting %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Total %	2.78%	1.62%	4.40%	34.51%	38.91%	0.00%	38.91%
7	Gross Procurement		\$ 30,847,628					
8	Exclusion ^[1]		-					
9	Net Procurement		\$ 30,847,628					
^[1] Included in calculation of total procurement per Commission directive in D.03-11-024.								

TABLE 9.1.5

Southwest's procurement of goods and services in 2011 with Clearinghouse-Verified diverse suppliers in support of its California operations was \$12,002,324 or 38.91 percent.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.6
List complaints received during the past year from women, minority and disabled-veterans, including a brief description of the nature of each complaint and its resolution or current status.		

COMPLAINTS

Southwest did not receive any formal supplier diversity-related complaints during 2011.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.7
A summary of purchases and/or contracts for products and services in excluded categories.		

EXCLUDED CATEGORIES

Pursuant to D.03-11-024, Southwest does not include exclusions in its procurement reporting.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.8
A description of any efforts made to recruit women, minority and disabled-veteran suppliers of products or services in procurement categories where utilization has been low, such as legal and financial services, fuel procurement, and areas that are considered highly technical in nature.		

RECRUITMENT EFFORTS IN LOW UTILIZATION AREAS

Financial Services

Southwest Gas has been cultivating relationships with several California-Certified³ Disabled Veteran Business Enterprise investment banks and will look to use one or more as underwriters in its next public debt offering. In addition, Southwest Gas continues to utilize and looks to utilize diverse suppliers for lease financing opportunities and investment management for employee benefit plans.

Southwest has employed a California-Certified Disabled Veteran Business Enterprise as an asset manager in its 401k plan since 2002, which has recently become California clearinghouse certified.

Legal Services

Women and minority attorneys provide various legal services to Southwest. In some instances, the women or minority attorneys that are the lead attorneys representing Southwest are members/partners in majority-owned firms.

Southwest continues its efforts to meet its legal needs through representation by minority-owned law firms.

³ The State of California, Department of General, Office of Small Business, is the certifying agency for certifying California Disable Veteran Business Enterprise (DVBE). Once certified, the DVBE's certification information is added to the California Clearinghouse-Verification database so the utilities that are governed under GO 156, are able to count their spend with DVBE's as part of their overall achievement goals as reported in their Utility Supplier Diversity Program Annual Report to the California Public Utilities Commission.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011 Annual Report	Section 9.1.9
Utilities shall retain all documents and data they rely on in preparing their WMDVBE annual report for the longer of either three years or in conference with the utilities individual document retention policies, and shall provide these documents and data to the Commission on request.		

Document Retention

Pursuant to GO 156, Southwest retains all data in preparing its annual report for a minimum of three years.

2012 ANNUAL PLAN

Name of Utility Southwest Gas Corporation		Reporting Year 2012 Annual Plan	GO 156 Section 10.1.1
Annual Short- (One Year), Mid- (Three Year) and Long- (Five Year) term procurement goals by product and service category.			

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROGRAM — SHORT-, MID- AND LONG-TERM GOALS BY PRODUCT AND SERVICE CATEGORY —																			
		Short-Term (2012)						Mid-Term (2014)						Long-Term (2016)					
Line No.	Products/ Services	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Total WMDVBE	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Total WMDVBE	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Total WMDVBE
1	Construction	%	1.00%	0.00%	1.00%	10.00%	11.00%	1.00%	0.00%	1.00%	10.00%	0.00%	11.00%	1.00%	0.00%	1.00%	10.00%	0.00%	11.00%
2	Equipment	%	0.50%	0.50%	1.00%	0.00%	1.00%	0.50%	0.50%	1.00%	0.00%	0.00%	1.00%	0.50%	0.50%	1.00%	0.00%	0.00%	1.00%
3	Supplies	%	1.50%	1.50%	3.00%	1.00%	4.50%	1.50%	1.50%	3.00%	1.00%	0.50%	4.50%	1.50%	1.50%	3.00%	1.00%	0.50%	4.50%
4	Technology	%	0.00%	0.00%	0.00%	0.30%	0.30%	0.00%	0.00%	0.00%	0.30%	0.00%	0.30%	0.00%	0.00%	0.00%	0.30%	0.00%	0.30%
5	Services	%	1.50%	1.00%	2.50%	1.20%	4.70%	1.50%	1.00%	2.50%	1.20%	1.00%	4.70%	1.50%	1.00%	2.50%	1.20%	1.00%	4.70%
6	TOTAL	%	4.50%	3.00%	7.50%	12.50%	21.50%	4.50%	3.00%	7.50%	12.50%	1.50%	21.50%	4.50%	3.00%	7.50%	12.50%	1.50%	21.50%
TABLE 10.1.1																			

TABLE 10.1.1

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2012 Annual Plan	Section 10.1.2
A description of WMDVBE Program activities planned for the next calendar year.		

DESCRIPTION OF PLANNED PROGRAM ACTIVITIES – INTERNAL AND EXTERNAL

This section of Southwest's Annual Plan outlines the internal and external Program activities planned by Southwest for 2012 and the Company's outreach efforts to identify diverse suppliers for procurement opportunities.

Internal Outreach Activities

- ❖ Meet with internal business units to provide information about the status and progress of the Program and to identify short and long term areas of purchasing and contracting that could provide business opportunities to diverse suppliers.
- ❖ Facilitate the Supplier Diversity Program's Advisory Council meeting to discuss Program enhancement and identify a process of including diverse suppliers in all areas of Southwest's procurement process. The Council will also meet with the Senior Steering Committee⁴ to solicit its input and recommendations for increasing diverse supplier procurement throughout the Company.
- ❖ Conduct "Lunch and Learning" meeting with employees to provide a better understanding of the Supplier Diversity Program's objectives and to further garner their support in utilizing Clearinghouse-Verified diverse suppliers in all bid opportunities.
- ❖ Explore any additional emerging media to interact with current and potential diverse suppliers.
- ❖ Conduct "How to do Business with Southwest Gas" workshops with diverse suppliers so that they may gain a better understanding of the Company's procurement process and bid requirements.
- ❖ Utilize the Clearinghouse database, the State of California's Department of General Services Procurement Division, Office of Small Business and DVBE Certification, and other diverse supplier resources and directories to assist in identifying certified suppliers.
- ❖ Continue to pursue the purchase of automotive fleet vehicles from diverse suppliers.
- ❖ Work closely with Southwest's Gas Purchases & Transportation Department to identify Clearinghouse-Verified and qualified diverse suppliers of natural gas to Southwest.
- ❖ Advertise in both national and local diverse supplier trade-association-newspapers, magazines and other media engaged in promoting supplier diversity.

⁴ The Senior Steering Committee consists of senior officers of Southwest. This Committee makes the ultimate decision about Program issues presented to it by the Advisory Council.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2012 Annual Plan	Section 10.1.2
A description of WMDVBE Program activities planned for the next calendar year.		

External Outreach Activities

- ❖ Southwest will strive to meet and exceed the procurement goals set forth in GO 156. The ethnicity and gender goals for each major product and service category are set forth in Table 10.1.1(a). These goals reflect Southwest's continued commitment to increasing procurement with diverse suppliers.
- ❖ In accordance with D.96-12-081, Southwest implemented a long-term procurement utilization goal of 1.5 percent for service disabled veteran business enterprises. Southwest is committed to continuing its efforts to ensure that DVBEs have equal opportunities to compete for Southwest's business.
- ❖ Southwest will continue to collaborate with local and national supplier-diversity business organizations to promote its Program. Southwest will continue its efforts to identify and network with diverse suppliers who have the capability and capacity to provide products and services, particularly in the low-utilization areas of diverse suppliers.

In doing so, Supplier Diversity Staff, along with the Southern California Division management, will actively participate with the following organizations' outreach activities during 2012:

- ❖ American Indian Chamber of Commerce of California (www.aicccal.org)
- ❖ Apple Valley Chamber of Commerce (www.avchamber.org)
- ❖ Barstow Chamber of Commerce (www.barstowchamber.com)
- ❖ Big Bear Chamber of Commerce (www.bigbearchamber.com)
- ❖ California Black Chamber of Commerce (www.calbcc.org)
- ❖ California Disabled Veteran Alliances Corporate Advisory Board — *Board Members, representing Southwest is the Director/Corporate and Administrative Services* (www.cadvbe.org)(www.cadvbe.org)
- ❖ Hesperia Chamber of Commerce (www.hesperiachamber.org)
- ❖ High Desert Hispanic Chamber of Commerce (www.hdhcc.org)
- ❖ National Association of Minority Contractors — Southern California Chapter (www.namcsc.net/)
- ❖ Southern California Minority Business Development Council, Inc. (www.scmbdc.org)
- ❖ Victor Valley African American Chamber of Commerce

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2012 Annual Plan	Section 10.1.2
A description of WMDVBE Program activities planned for the next calendar year.		

- ❖ Victorville Chamber of Commerce (www.vvchamber.com)
- ❖ Women's Business Enterprise Council–West (www.wbec-west.org)

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2012 Annual Plan	Section 10.1.3
Plan for recruiting diverse supplier of products or services where diverse supplier utilization has been low, such as legal and financial services, fuel procurement and areas that are considered highly technical in nature.		

PLANS FOR RECRUITING DIVERSE SUPPLIERS IN LOW-UTILIZATION AREAS

Southwest's Program Staff will continue to monitor procurement categories for low or under-utilized areas and focus outreach activities to identify possible procurement opportunities, as follows:

- ❖ Meet with management personnel that have historically low diverse supplier utilization to discuss ways to increase the use of Clearinghouse-Verified diverse suppliers in their procurement processes.
- ❖ Attend industry specific business conferences and outreach activities that attract diverse suppliers, relative to Southwest's low and under-utilized areas.
- ❖ Attend Joint Utility meetings to discuss best practices and collaborate about identifying Clearinghouse-Verified diverse suppliers for business opportunities in Southwest's low-utilization areas.

Name of Utility Southwest Gas Corporation	Reporting Year 2012 Annual Plan	GO 156 Section 10.1.5
Plans for encouraging both prime contractors and grantees to engage women, minority and/or disabled-veterans in subcontracts in all categories which provide subcontracting opportunities.		

SUPPLIER DIVERSITY SUBCONTRACTING PROGRAM

Southwest's Supplier Diversity Subcontracting Program is designed to provide diverse suppliers with maximum subcontracting opportunities on Southwest projects. The Program will continue to encourage its prime contractors to consider using diverse subcontractors by undertaking the following internal and external activities:

- ❖ Southwest will continue to meet with its prime contractors and procurement personnel to discuss Southwest's commitment to utilize diverse subcontractors and will continue to encourage its prime contractors to identify and use diverse subcontractors for Southwest projects.
- ❖ Program Staff will provide any necessary assistance to prime contractors in developing plans for reporting diverse subcontracting activities to Southwest. Program Staff will also assist prime contractors with sourcing for Clearinghouse-Verified diverse suppliers (including access and usage of the Clearinghouse database).
- ❖ Southwest will continue to encourage prime contractors to contact Program Staff and diverse supplier trade organizations to request assistance in identifying diverse subcontracting opportunities on Southwest projects.
- ❖ Program Staff will continue to assist subcontractors in becoming either verified through the California Supplier Clearinghouse or for service-disabled veterans, certified by the State of California's Department of General Services, and the Office of Small Business Certification and Resources.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2012 Annual Plan	Section 10.1.6
Plans for complying with program guidelines established by the Commission as required by Public Utilities Section 8283(c).		

GENERAL ORDER 156 COMPLIANCE

Southwest will continue to adhere to Program guidelines as established in GO 156 to achieve overall Program success and further increase procurement with diverse suppliers. Southwest will also solicit the assistance of various diverse supplier trade organizations to identify diverse suppliers in low and under-utilized areas.

**2011 ANNUAL FUEL PROCUREMENT REPORT
AND 2012 ANNUAL PLAN**

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011	Section 9.1.10
Each utility shall report fuel purchases by: 1) Market origin and fuel type; 2) Volume and dollar magnitude; 3) Term of sales, e.g., spot, intermediate, long-term; 4) Ethnicity and gender of the supplier.		

**SOUTHWEST GAS CORPORATION
UTILITY SUPPLIER DIVERSITY PROGRAM
2011 ANNUAL FUEL PROCUREMENT REPORT
AND 2012 ANNUAL PLAN**

In 2011, Southwest spent a total of \$2,820,142 for fuel from a Clearinghouse-Verified diverse supplier to support its operations in California (*see Fuel Purchases Chart*).

Current Market Conditions

Southwest's Gas Supply department secures natural gas supplies for the provision of gas service to all Southwest's sales customers in California, Arizona and Nevada. Southwest's natural gas acquisition requirements are met by Gas Supply through a combination of firm contract purchases, monthly spot market purchases, and daily spot market purchases. Such requirements are determined for each of the different market areas, as necessary, and filled in the economic fashion from a wide variety of sources and an ever-changing number of potential suppliers. Southwest has a longstanding commitment of doing business with diverse suppliers whenever possible. Gas Supply acquires the necessary gas supplies on a competitive price basis, taking into consideration the reliability and assured performance of potential gas suppliers and the reliability of the actual sources of supply.

Southwest actively solicits both firm and spot market gas bids from diverse suppliers. They are encouraged to participate when Southwest is seeking offers for natural gas supplies, whether daily, monthly, or long term. Historically, Southwest has received positive responses to its bid programs from numerous diverse suppliers, many of whom have been successful in the competitive bid process.

DESCRIPTION OF PLANNED PROGRAM ACTIVITIES

Internal Outreach

It is Southwest's policy to entertain proposals from prospective new diverse suppliers and provide them the information and opportunity to participate in all bidding programs. Gas Supply fields calls directly from such prospective suppliers, takes referrals from existing industry contacts, and pursues contacts forwarded by Program Staff.

Name of Utility	Reporting Year	GO 156
Southwest Gas Corporation	2011	Section 9.1.10
Each utility shall report fuel purchases by: 1) Market origin and fuel type; 2) Volume and dollar magnitude; 3) Term of sales, e.g., spot, intermediate, long-term; 4) Ethnicity and gender of the supplier.		

DESCRIPTION OF PLANNED PROGRAM ACTIVITIES *(Continued)*

External Outreach

Gas Supply employees are members of various energy industry organizations, subscribe to numerous industry publications, and regularly attend and participate in industry conferences and workshops. All of these support and promote the interaction and building of relationships with diverse natural gas suppliers. In addition, Gas Supply meets with diverse supplier representatives on a regular basis throughout the year to discuss natural gas supply requirements, existing supply arrangements, and settlements for gas purchased.

Plans for Recruiting Diverse Suppliers in Low-Utilization Areas

Southwest purchased fuel from a Clearinghouse-Verified diverse supplier to support its operations in California. Southwest will continue to negotiate with this and other Clearinghouse-Verified fuel providers that can market low-priced, cost-competitive fuel for its California operations.

In addition, Southwest has a contract with a California Clearinghouse-Verified minority-owned business for the use of computer modeling software. This modeling software is used for integrated demand and resource cost optimization.

Support For Excluded Categories

Pursuant to D.03-11-024, Southwest does not include exclusions in its procurement reporting.

SUPPLIER DIVERSITY PROGRAM'S ANNUAL PLAN FOR 2012

Gas Supply will continue to identify and develop new diverse supplier relationships and to encourage participation by diverse suppliers in Southwest's various natural gas supply bid opportunities. Southwest will remain dedicated to welcoming and encouraging the participation of all diverse suppliers who express interest in supplying fuel to Southwest, and will consider any competitive offers.

Name of Utility Southwest Gas Corporation	Reporting Year 2011	GO 156 Section 9.1.10
Each utility shall report fuel purchases by: 1) Market origin and fuel type; 2) Volume and dollar magnitude; 3) Term of sales, e.g., spot, intermediate, long-term; 4) Ethnicity and gender of the supplier.		

SOUTHWEST GAS CORPORATION UTILITY SUPPLIER DIVERSITY PROGRAM – CALIFORNIA FUEL PROCUREMENT RESULTS FOR 2011 –						
Line No.	Ethnicity and Gender		Volume (Dth)	Percentage Volume	Cost (\$)	Percentage Cost
1	Minority Men	Asian-Pacific	-	0.00%	\$ -	0.00%
2		Black	-	0.00%	-	0.00%
3		Hispanic	-	0.00%	-	0.00%
4		Native-American	-	0.00%	-	0.00%
5		Other	-	0.00%	-	0.00%
6	Total Minority Men		-	0.00%	\$ -	0.00%
7	Minority Women	Asian-Pacific	701,470	5.15%	\$ 2,820,142	4.83%
8		Black	-	0.00%	-	0.00%
9		Hispanic	-	0.00%	-	0.00%
10		Native-American	-	0.00%	-	0.00%
11		Other	-	0.00%	-	0.00%
12	Total Minority Women		701,470	5.15%	\$ 2,820,142	4.83%
13	Total Minority Business Enterprise (MBE)		701,470	5.15%	\$ 2,820,142	4.83%
14	Women Business Enterprise (WBE)		-	0.00%	\$ -	0.00%
15	Subtotal Women, Minority Business Enterprise (WMBE)		701,470	5.15%	\$ 2,820,142	4.83%
16	Service Disabled Veteran Business Enterprise (DVBE)		-	0.00%	\$ -	0.00%
17	TOTAL WMDVBE		701,470	5.15%	\$ 2,820,142	4.83%
18	Gross Gas Volume (Dth)		13,627,175			
19	Exclusions ^[1]		-			
20	Total Gas Volume (Therms)		13,627,175			
21	Gross Gas Purchases		\$ 58,417,862			
22	Exclusions ^[1]		-			
23	Total Gas Purchases		\$ 58,417,862			
<div><div></div><div>[1] Included in calculation of total procurement per Commission directive in D.03-11-024.</div></div>						

TABLE 9.1.10